

Minnesota's Labor Market Through the Pandemic

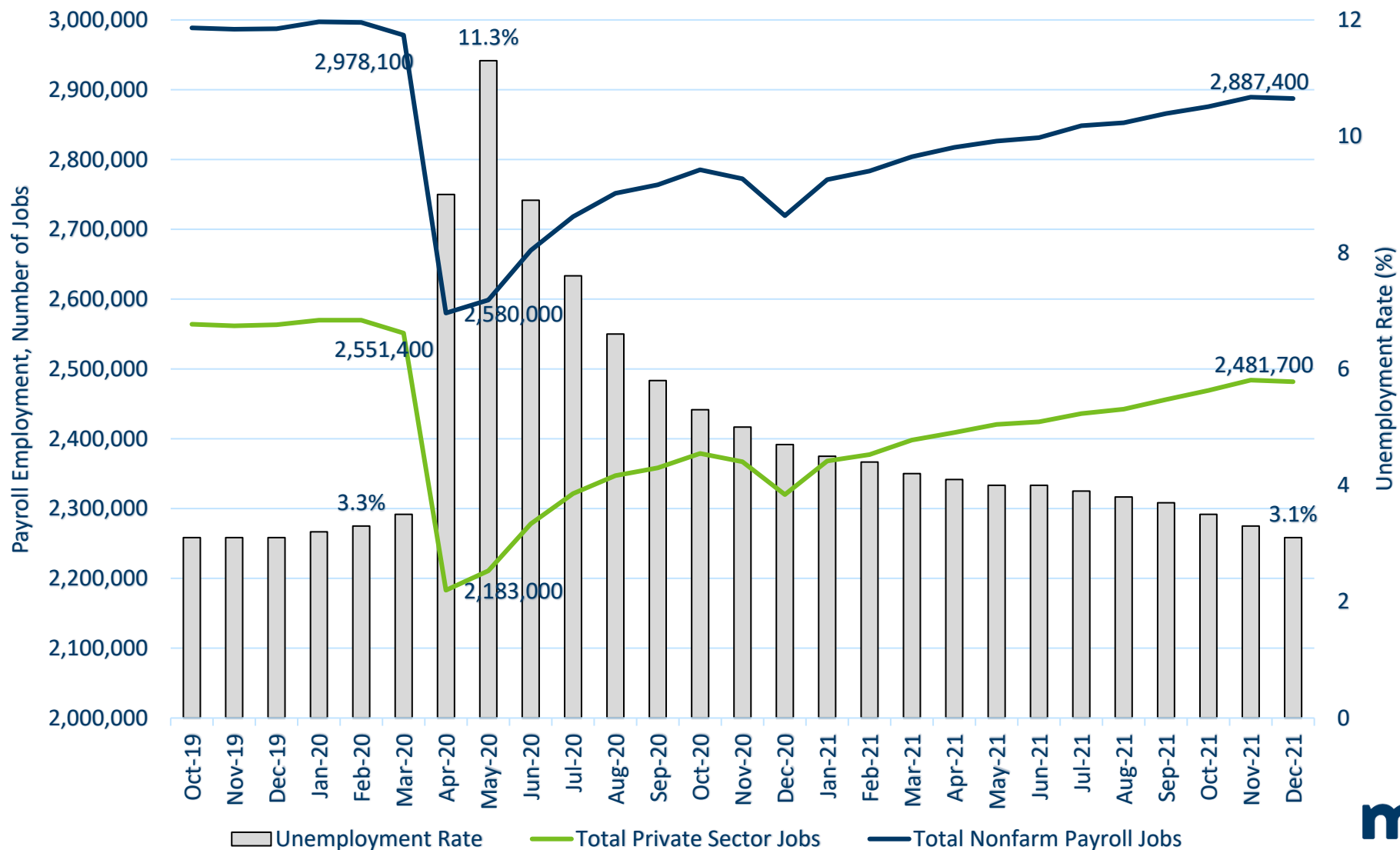
Labor Market Information Office
Minnesota Department of Employment and Economic
Development

House Jobs Committee Hearing
February 2, 2022

Labor Force, Employment, Unemployment and Jobs

Minnesota, Seasonally Adjusted

- Jobs (non-farm payroll): up 168,000 over the year but still down 109,000 from Feb 2020
- Labor force: down 87,000 from Feb 2020
- Employment (people including self employed): down 77,000 from Feb 2020
- Unemployment: down 10,000 from Feb 2020

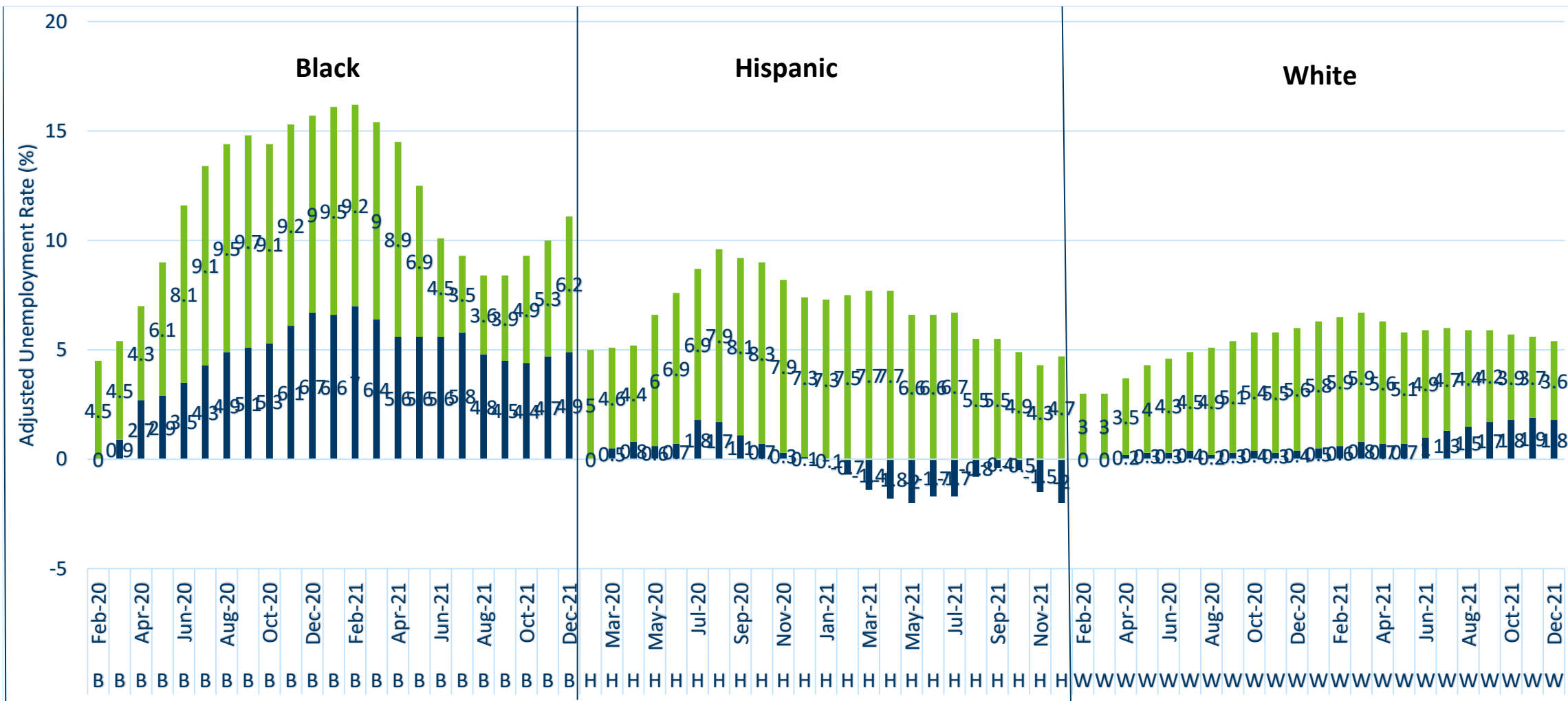


Source: CES and LAUS



Adjusted Unemployment Rate by Race, Minnesota

Unemployment Rate + Change in Labor Force Participation Rate from Feb 2020



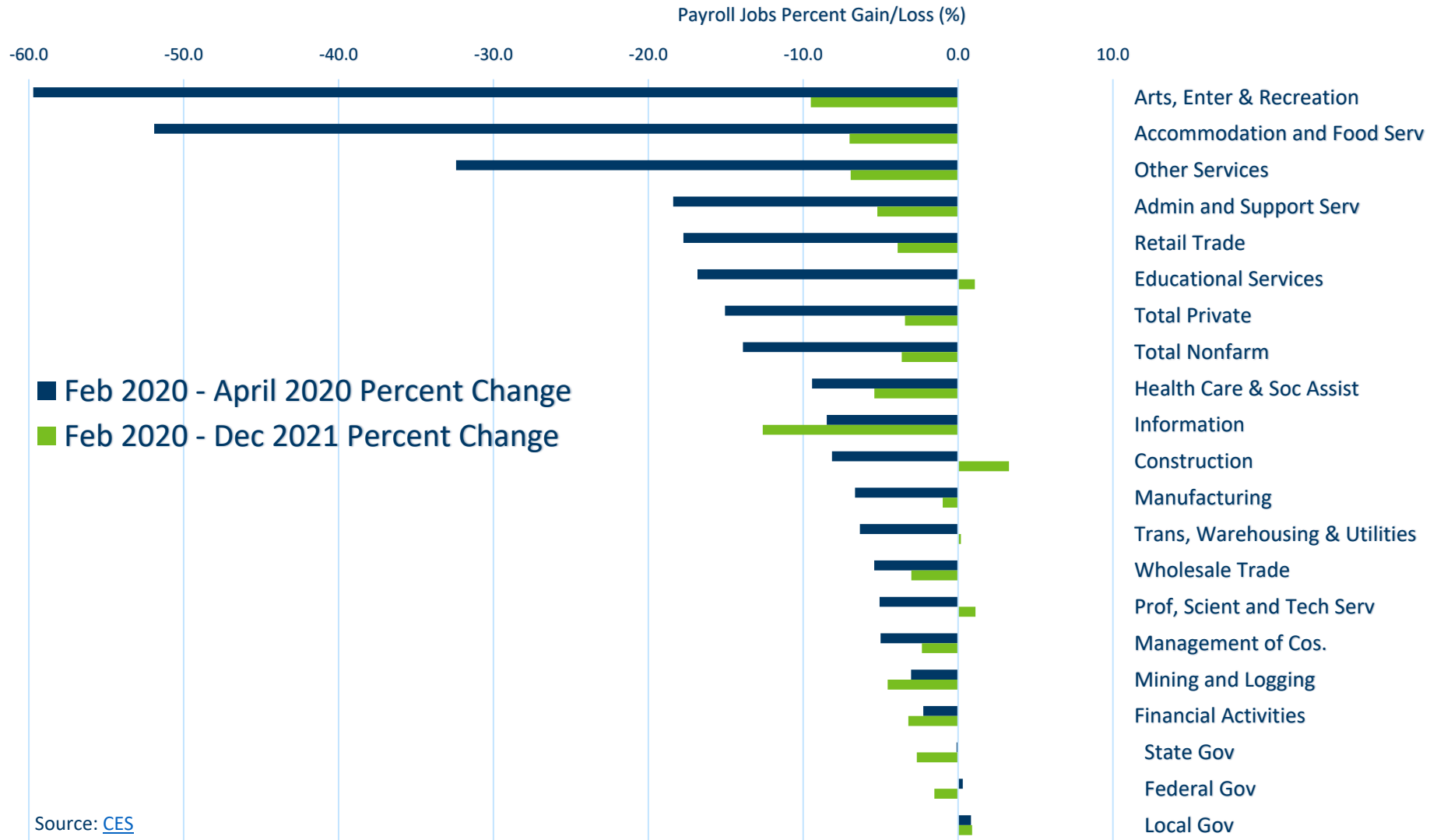
Source: Demecon from CPS

■ Labor Force Participation Rate Change ■ Unemployment Rate



Job Loss and Recovery by Sector in Minnesota

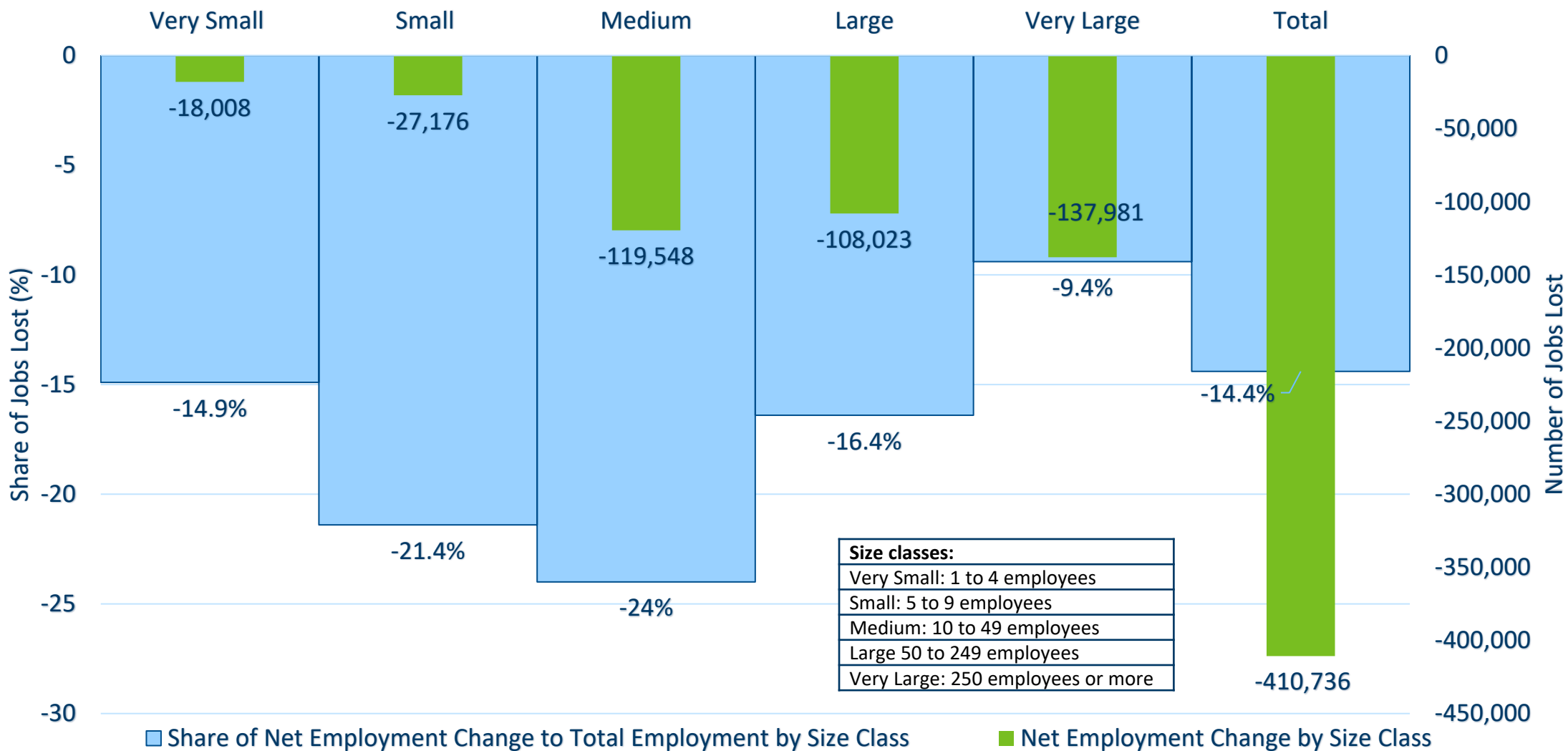
Seasonally Adjusted Payroll Employment



Source: [CES](#)

Which Size Businesses Were Hit Hardest by the Pandemic?

Minnesota Business Employment Dynamics, Second Quarter 2020

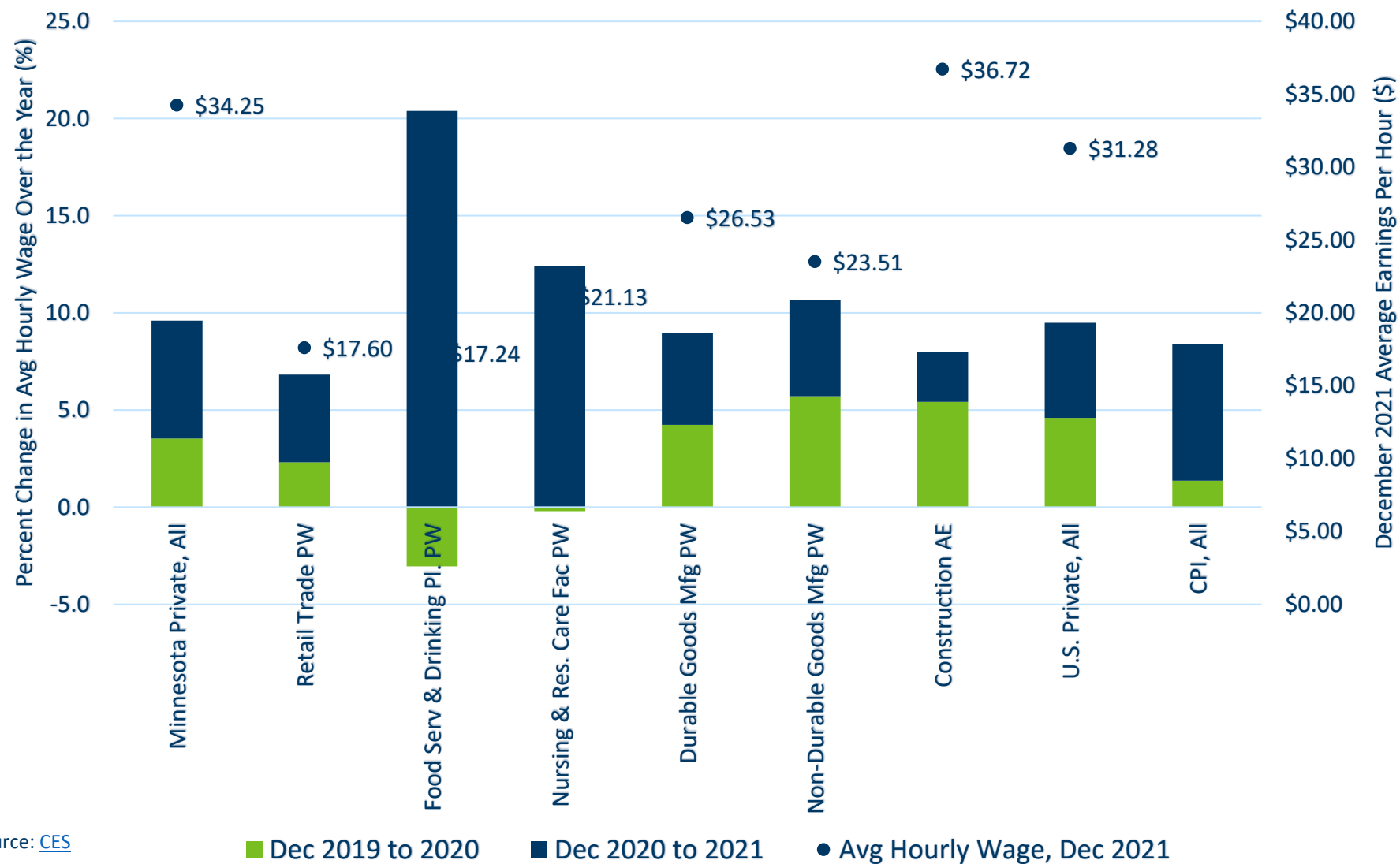


Source: [Assessing the Initial Impact of the COVID-19 Recession on Minnesota Businesses by Firm Size Class / Minnesota Department of Employment and Economic Development \(mn.gov\)](#)



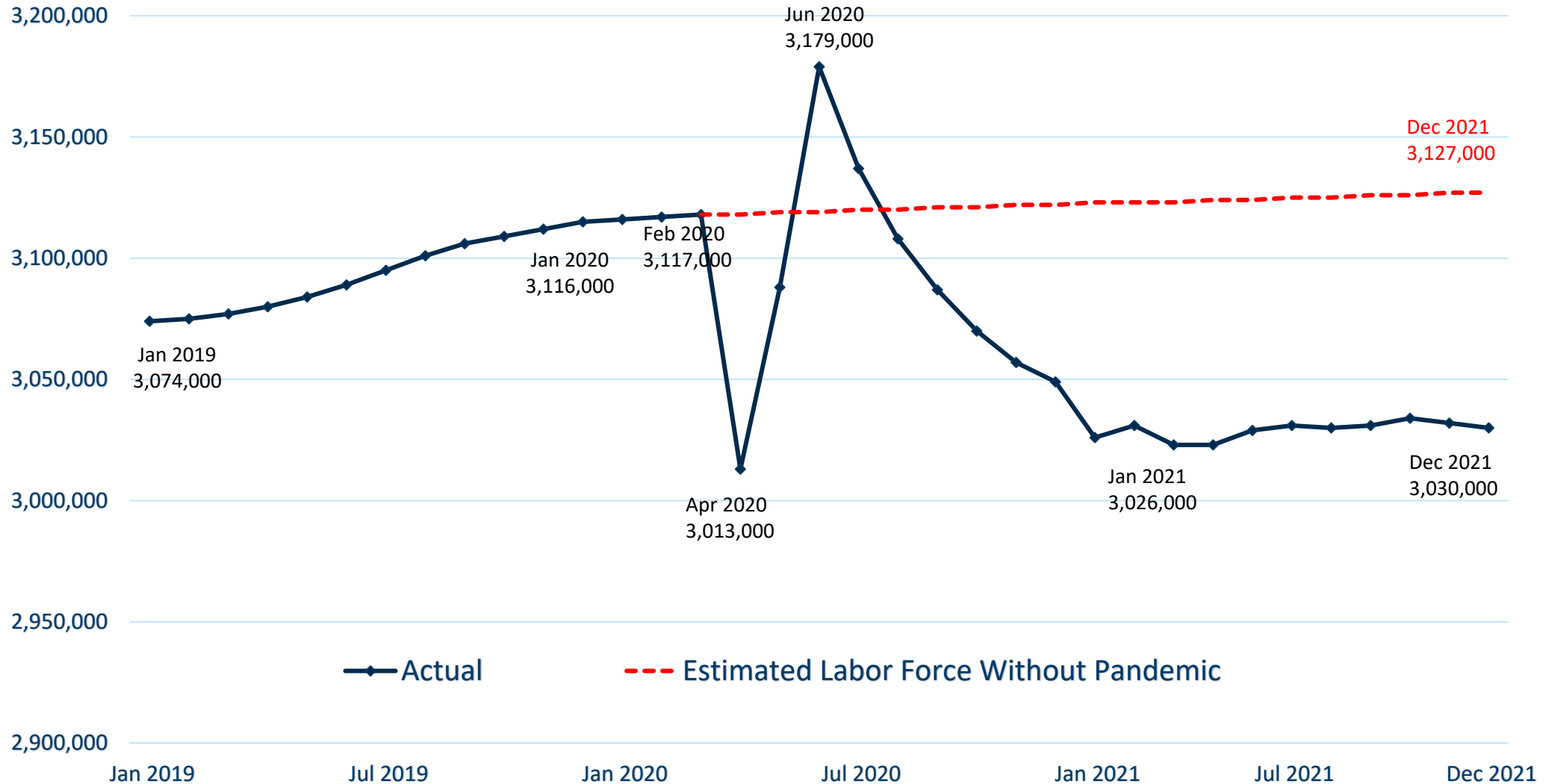
Hourly Earnings and Inflation Growth

December 2019 to 2021



Minnesota Labor Force Trends

LAUS Estimates and Estimated Through December 2021



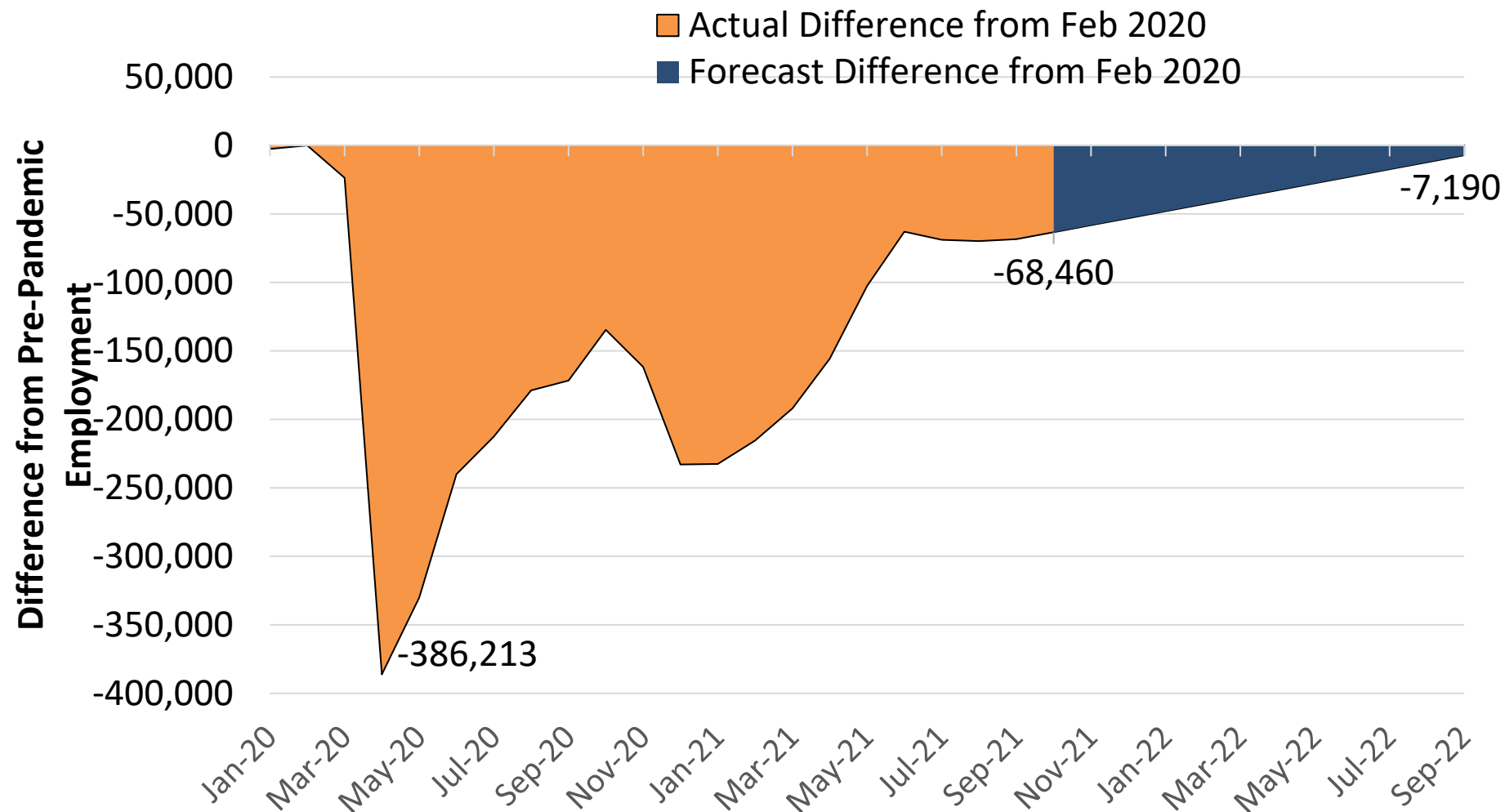
Source: Local Area Unemployment Statistics (LAUS) - Seasonally adjusted labor force rounded to nearest thousand <https://apps.deed.state.mn.us/lmi/laus/>



Minnesota Employment Forecast

Third Quarter 2021 to Third Quarter 2022

- 2.1% projected over-the-year job growth
- +61,912 jobs
- Growth continues to slow; if forecasts are accurate, likely to reach pre-pandemic employment in late-2022
- Labor force will continue to be a constraint on future employment growth, near and long-term.



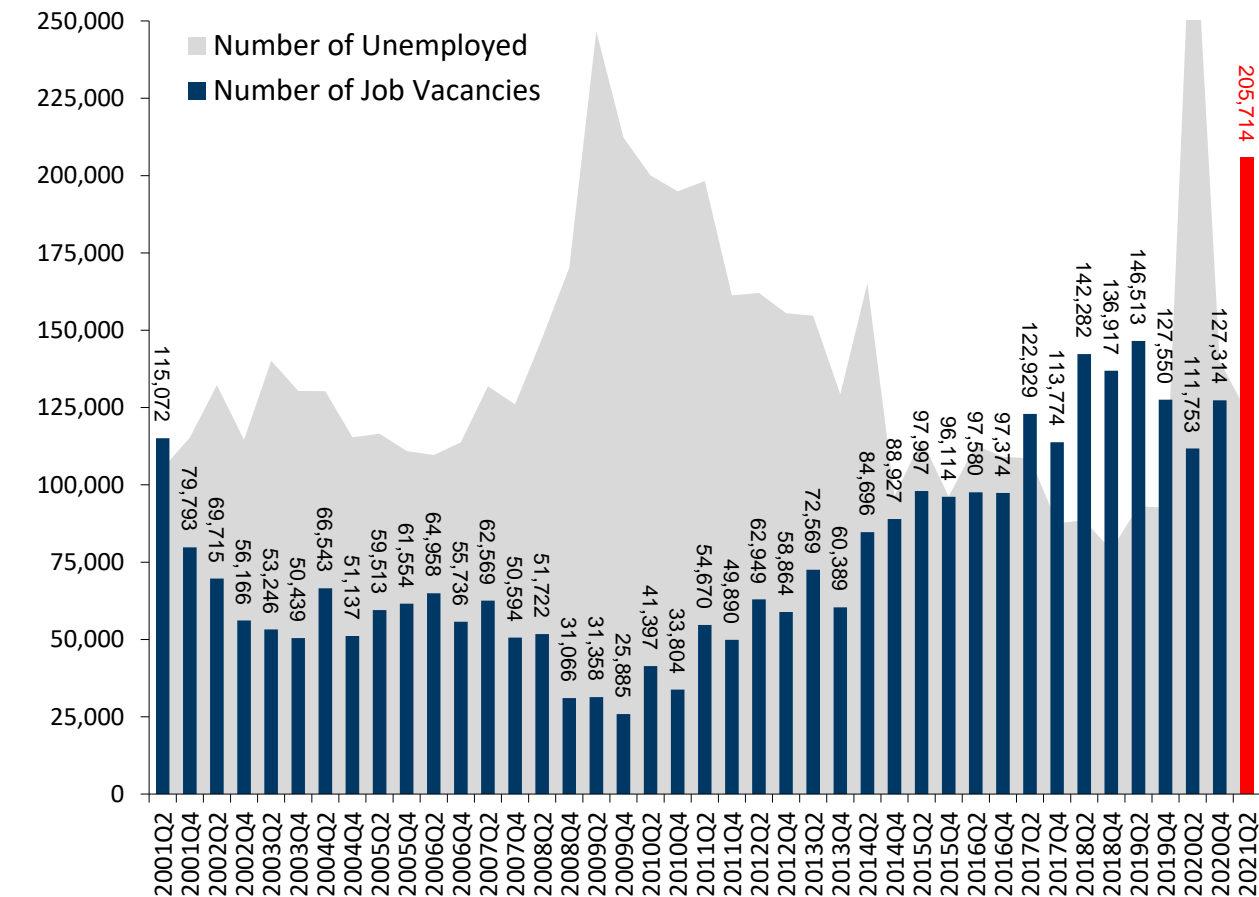
Source: DEED Current Employment Statistics, Employment Outlook



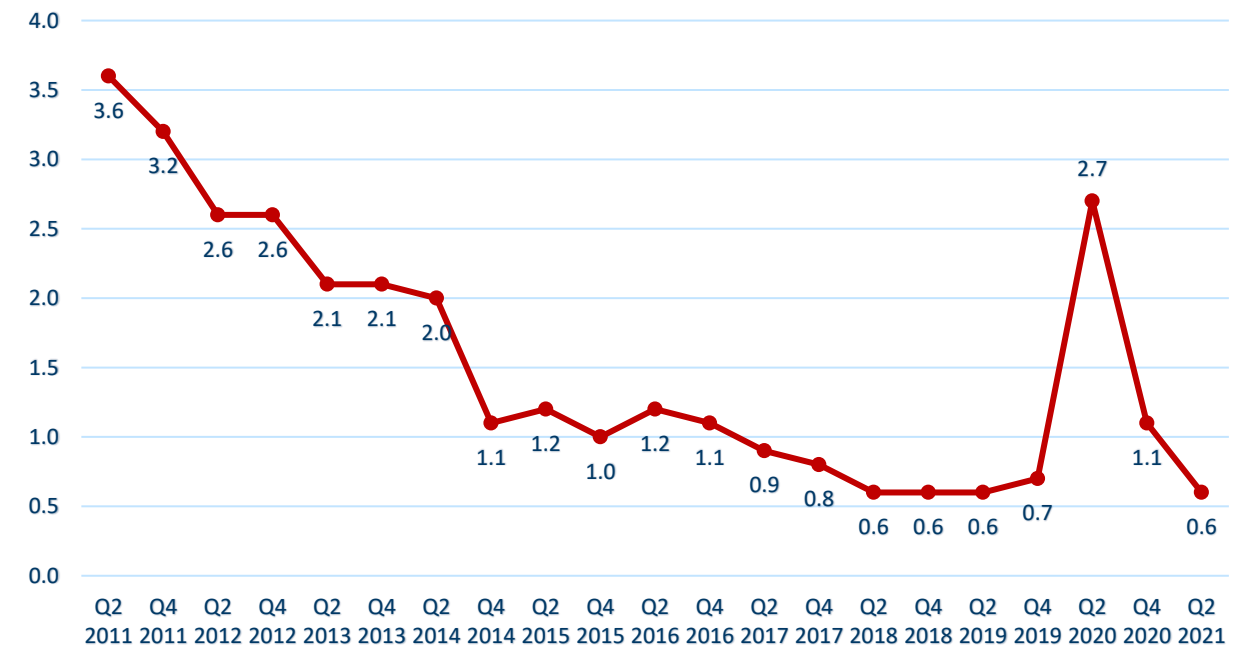
Record Number of Job Vacancies

Minnesota, Second Quarter 2021

Number of Vacancy and Number of Unemployed in Minnesota, 2001-2021



Number of Unemployed Job Seekers per Vacancy in Minnesota, 2011-2021



Source: Minnesota Job [Vacancy Survey](#) and [Minnesota Vacancies Surge in 2021 / Minnesota Department of Employment and Economic Development \(mn.gov\)](#)



Job Vacancies by Industry

Top 10 Industries, Second Quarter 2021

Industry	Number of Job Vacancies	Job Vacancy Rate	Percent Part-Time	Requiring Post-Secondary Education	Requiring 1+ Years Experience	Median Wage Offer
Total, All Industries	205,714	8.0%	32%	32%	50%	\$16.64
Health Care & Social Assistance	39,727	8.3%	39%	53%	50%	\$17.39
Accommodation & Food Services	37,363	20.2%	47%	3%	33%	\$13.31
Retail Trade	36,174	13.1%	34%	12%	31%	\$14.06
Manufacturing	14,621	4.8%	3%	34%	50%	\$19.23
Transportation & Warehousing	11,346	11.7%	24%	35%	80%	\$23.36
Educational Services	9,046	5.0%	51%	54%	74%	\$19.62
Construction	9,007	6.5%	9%	26%	59%	\$19.93
Professional & Technical Services	8,450	6.0%	4%	76%	86%	\$30.13
Arts, Entertainment, & Recreation	6,590	16.5%	64%	19%	45%	\$14.89
Other Services	6,336	8.7%	27%	50%	52%	\$19.46

Source: DEED Job Vacancy Survey, 2nd Qtr. 2021



Minnesota Occupations in Demand

Job Title	Median Wage	Projected 10-year Growth Rate	Projected 10-year Openings	Education Requirements
Registered Nurses	\$81,154/yr	6.6%	43,201	Associate's degree
Retail Salespersons*	\$29,345/yr	-3.0%	101,384	High school diploma
Fast Food and Counter Workers*	\$26,229/yr	12.4%	151,605	High school diploma
Home Health and Personal Care Aides*	\$30,165/yr	24.1%	171,243	High school diploma
Nursing Assistants	\$37,354/yr	3.6%	37,189	Postsecondary non-degree Award
First-Line Supervisors of Retail Sales Workers	\$47,531/yr	-5.9%	19,635	High school diploma
Cashiers*	\$27,263/yr	-9.3%	105,183	High school diploma
Customer Service Representatives	\$41,598/yr	-4.4%	68,803	High school diploma
Heavy and Tractor-Trailer Truck Drivers	\$51,248/yr	4.1%	43,441	High school diploma
Stockers and Order Fillers	\$31,908/yr	2.9%	64,838	High school diploma
Janitors and Cleaners	\$33,521/yr	5.9%	60,938	High school diploma
First-Line Supervisors - Food Prep & Serving	\$40,441/yr	17.8%	26,222	High school diploma
Licensed Practical Nurses	\$50,331/yr	6.6%	12,178	High school diploma
Laborers & Material Movers, Hand	\$36,890/yr	6.5%	58,224	High school diploma
Maintenance and Repair Workers, General	\$49,009/yr	4.6%	22,553	High school diploma
Teaching Assistants, Except Postsecondary	\$34,047/yr	7.6%	36,287	High school diploma
Cooks, Restaurant	\$33,190/yr	45.9%	48,448	High school diploma
Secretaries and Admin Assistants	\$43,553/yr	-9.4%	32,990	High school diploma
Light Truck Drivers	\$40,647/yr	6.3%	19,849	High school diploma
Sales Representatives, Wholesale and Manuf	\$72,818/yr	2.9%	31,987	High school diploma

Source: [Occupations In Demand](#)

Post-Recession Reemployment Trends in Minnesota

Employment status of 2nd quarter 2020 UI recipients one year later

	Workers who filed a UI claim from March to June 2020 by employment status in Spring 2021	Percent of total UI claimants	Median weeks of UI claimed before July 2021	Average difference in quarterly wages pre-post layoff*	Percent workers whose hourly wages** fell by >=10%
EMPLOYED	Employed by same employer(s) from which laid off N = 307,672	49%	11	-\$297	12%
	Working in second job*** N = 35,875	6%	14	-\$360	17%
	Changed employer N = 137,964	22%	18	-\$368	25%
NOT EMPLOYED	Not working and continued to request UI benefits N = 80,393	13%	62	NA	NA
	Not working and did not request benefits after June 2020 N = 69,778	11%	14	NA	NA
	Total N=631,040****	100%	16	-\$322	16%

*The pre-layoff period is Summer (q3) 2019 to Winter (q1) 2020. The post-layoff period corresponds to q2 2021.

**Hourly wages represent jobs with valid reported hours and were calculated across all jobs held, not only in the jobs that were lost.

***This group represents claimants who were working multiple jobs before the pandemic and returned to one of these jobs in q2 2021 and 9,426 claimants with missing employer information and who, therefore, could not be included in Group 1.

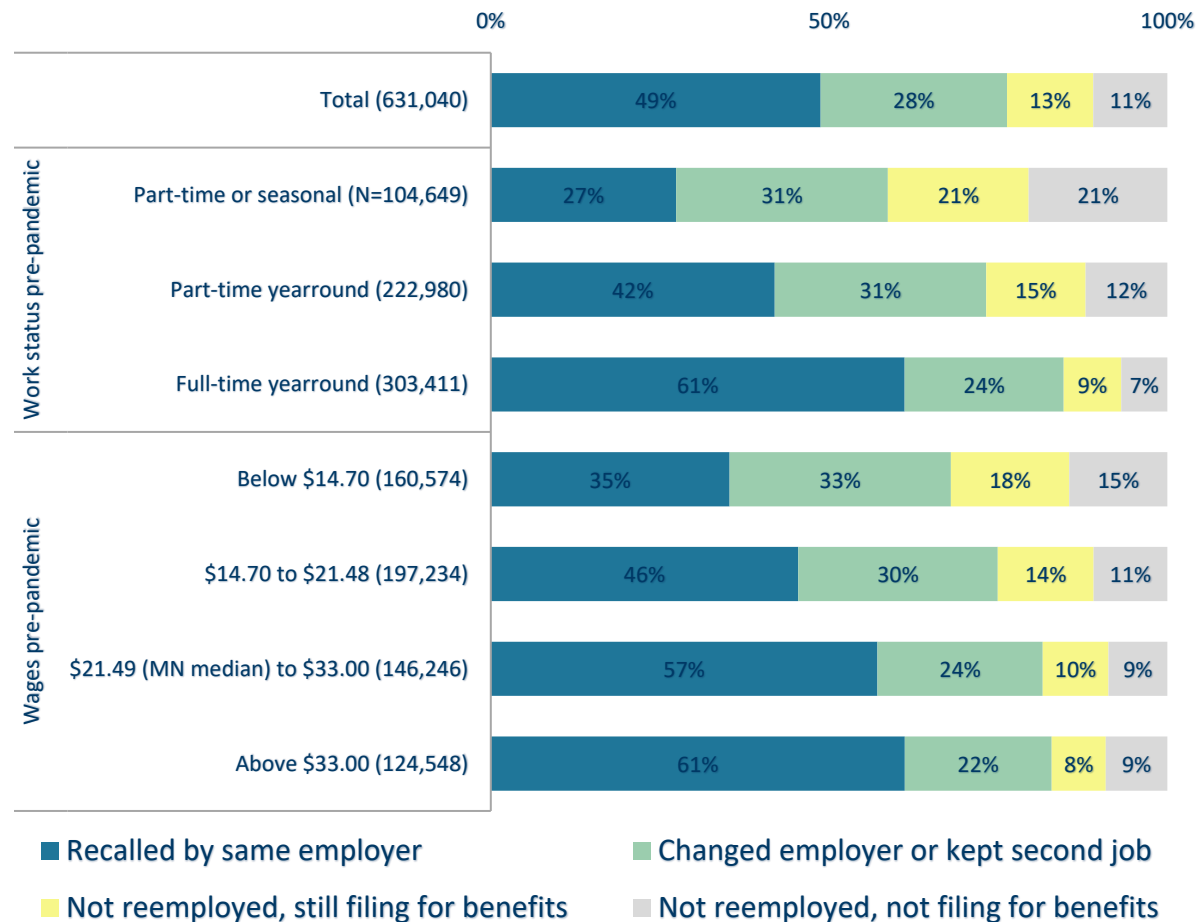
****Representing distinct (unduplicated) claimants who were monetarily eligible for UI benefits and were employed in the period q3 2019-q1 2020.

Source: Author's calculations based on Mn PROMIS file and Mn UI wage records. This is an unpublished update of an article available [here](#).

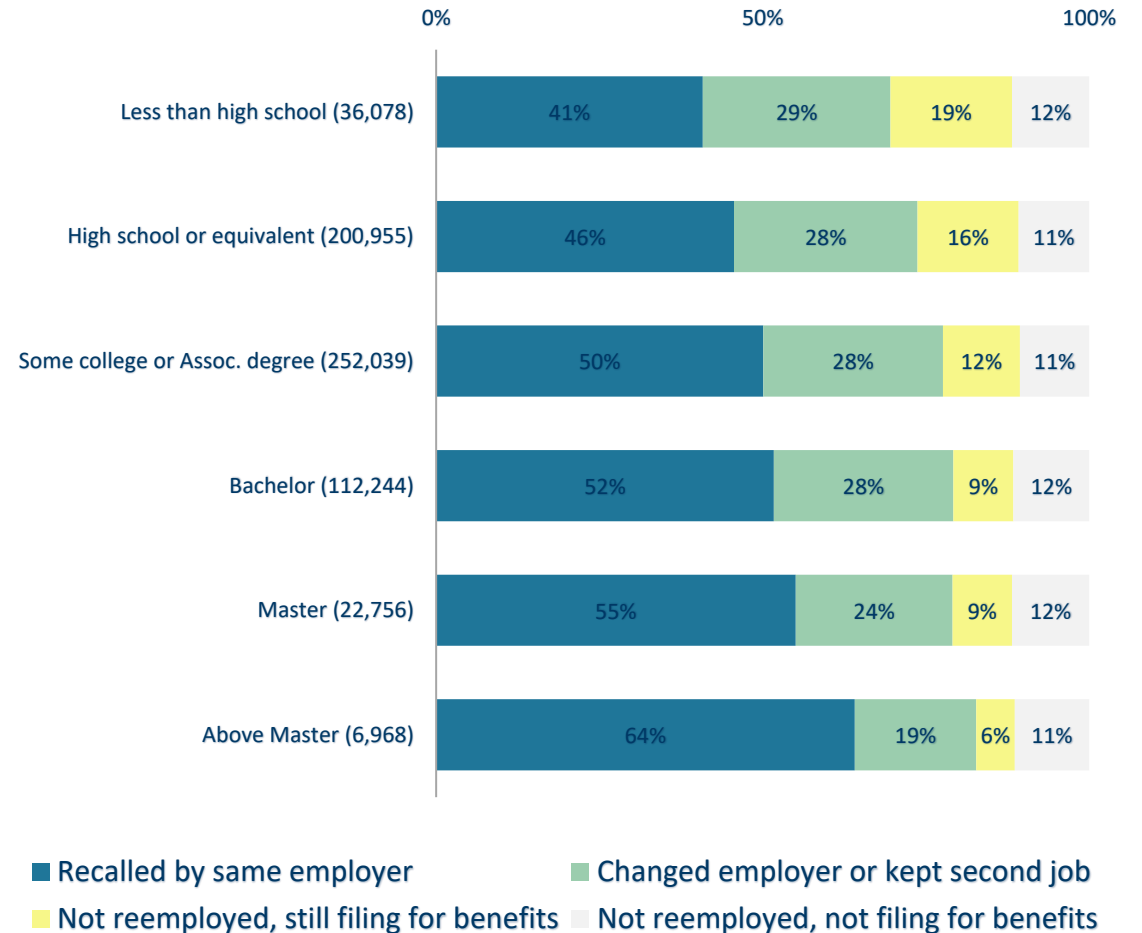
Reemployment in Spring 2021 by UI Claimant Characteristics

Work Status, Wages and Educational Attainment

Work Status and Wage



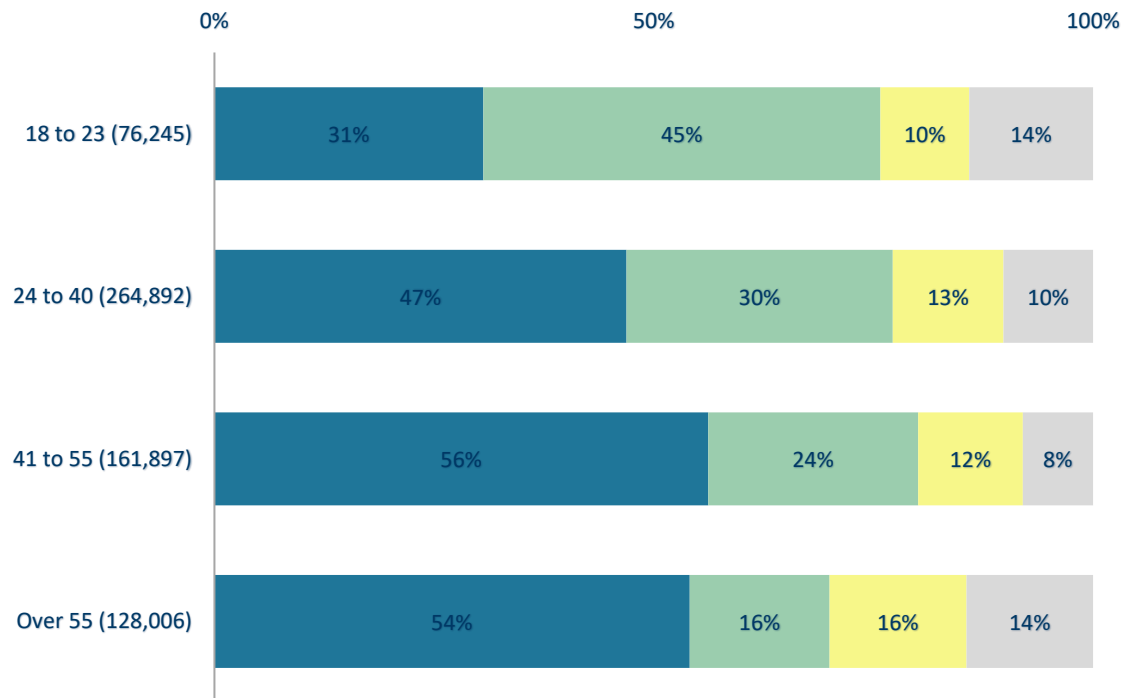
Educational Attainment – Ages 18 and older in Q2 2020



Reemployment in Spring 2021 by UI Claimant Characteristics

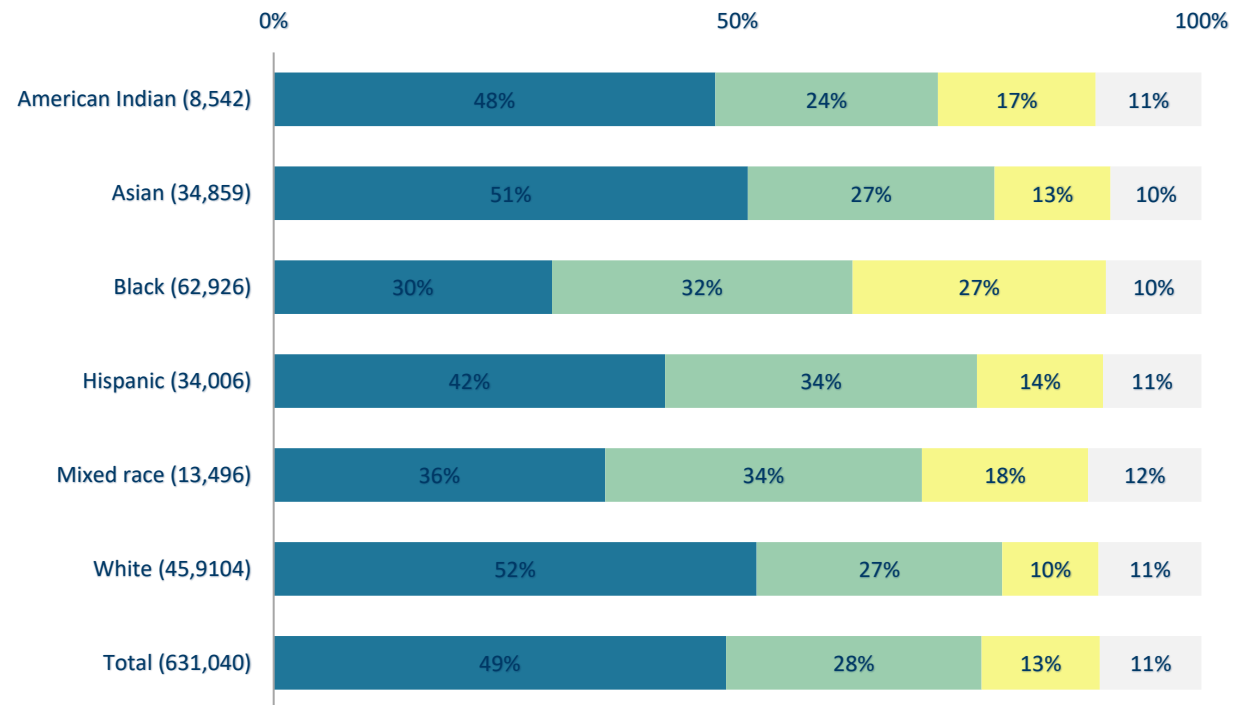
Age, Race/Ethnicity

Age



- Recalled by same employer
- Changed employer or kept second job
- Not reemployed, still filing for benefits
- Not reemployed, not filing for benefits

Race and Ethnicity



- Recalled by same employer
- Changed employer or kept second job
- Not reemployed, still filing for benefits
- Not reemployed, not filing for benefits

Thank You!

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